

Appl. No. 09/694,050
Amdt. dated December 10, 2004
Reply to Office Action of July 16, 2004

Remarks:

Applicant hereby respectfully requests the Office to withdraw the Final Rejection entered on July 16, 2004, as being premature on several grounds, as will now be explained. As noted in MPEP §706.07, "Before final rejection is in order a clear issue should be developed between the examiner and applicant." And the Manual dictates that the applicant "is justly entitled [and] should receive the cooperation of the examiner to that end, and not be prematurely cut off in the prosecution of his or her application." The goal of the examination should be that: "The examiner should never lose sight of the fact that in every case the applicant is entitled to a full and fair hearing, and that a clear issue between applicant and examiner should be developed, if possible, before appeal." Furthermore, the issues "must also be clearly developed to such an extent that applicant may readily judge the advisability of an appeal." It is respectfully submitted that the examination to date has failed to develop the "clear issues" between applicant and the Office as desired before entry of a Final Rejection is appropriate. The details of this failure will now be explained for the Office to consider.

Submitted Evidence of Commercial Success has not been considered:

Accompanying the Applicant's submittal on April 28, 2003 was a declaration from David Smith, one of the co-inventors herein, in which he explained the INCREDIBLE commercial success the present invention has enjoyed, principally by reason of its claimed features in the subject application. The present invention, known as the ARMS® system, at the time of the declaration, processed over \$1.5 BILLION ANNUALLY in vehicle rental transactions. The ARMS® system had received an innovation award by CIO magazine, a reprint of which was attached to the declaration, which evidences independent third party

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recognition of the commercial success of the claimed invention. This declaration and evidence is in full compliance with MPEP §716.03 as it clearly shows that the success of the invention is attributable to the claimed features as noted even in a third party magazine article and award. Furthermore, the success was so astounding as to become the rental vehicle system of choice for all of the top 25 insurance companies in America, and that the assignee's business activity handled by the claimed invention had increased substantially more than the assignee's business activity increase in other areas not being conducted over the system of the claimed invention. An irrefutable nexus has been shown between the claimed invention and the incredible commercial success that it has enjoyed, due to its claimed features. Yet, despite this showing of incredible commercial success, the Office has not commented on and, indeed, has admitted during the personal interview conducted on September 14th that such evidence has not been considered. (See Interview Summary dated September 14, 2004.) For this reason alone, the Final Rejection has been entered prematurely and should be withdrawn to allow the Office to consider the evidence as being convincing enough to allow the claims of record.

The Office has Failed to Substantively Respond to Arguments Previously Made:

The Final Rejection of July 16, 2004, was filed in response to Applicant's amendment mailed March 30, 2004. In Applicant's amendment, after a page of explanation of the two base references, almost 5 pages of remarks were submitted under the headings:

II. The Office Action fails to set forth a valid motivation for combining the Walker patent and the Many Ways to Sell news snippet; and

III. A person of ordinary skill in the art would not be motivated to combine the Walker patent with the Many Ways to Sell news snippet because the implementation of

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Walker's buyer-driven market in an insurance company-to-rental car company system for creating and managing rental car reservations, such as that described in the Many Ways to Sell news snippet, would significantly degrade the quality of service provided by such a reservation creation/management system.

The discussion under these headings focussed on the requirement that the Office demonstrate motivation to combine the references in order to support the obviousness rejections relied on in rejecting the claims, and an explanation of how combining these references actually resulted in an inferior result. However, the Final Rejection entered in response to this amendment failed to address these arguments. This failure on the part of the Office to discharge its duty to consider and respond to these arguments has resulted in the failure to develop "clear issues" and even leaves applicant wondering if the Office would consider these issues whether the Office will then properly allow these claims without the necessity for an appeal, as it should.

More specifically, in the Final Rejection, beginning at page 18 is the Office "Response to Arguments" section which purportedly addresses applicant's submitted comments including those on the motivation issue. Beginning at the bottom of page 19, the Office comments begin to address these motivation issues. However, the Office comments do not meet applicant's comments head on, and both fail to respond to applicant's comments and also are merely conclusionary and non-specific to the present application. Compounding this failure to "join issue" with applicant, the comments evidence a clear misunderstanding of the law (see below). In sum, the Office response is that it has established a *prima facie* case of obviousness, and that is enough. After then admitting that the Office "agrees that the motivation or suggestion to make modifications must be articulated" no such articulation is found in the Office

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comments. While reference is made earlier in the Office comments that the motivation to combine the Walker and Travel Agent references is "to provide reliable and dependable service to customer involved in rental car insurance claim" there is no explanation of how this would be achieved by any such combination, or what would become more reliable or dependable, especially in response to applicant's specific analysis and comments explaining why one of ordinary skill in the art would not seek to combine them. At another place in the action, the Office comments that the motivation for combining the FlowMark software within the combination of Walker and Travel Agent is to provide record keeping and tracking of rental car activity, thereby supplying the user with accurate and precise reports. However, the Office does not provide any specific guidance on where this record keeping and tracking capability is found in FlowMark. Perhaps that is because there is no such capability, at least as best as applicant can tell.

Applicant respectfully submits that the examination thus far has failed to create "clear issues" to adequately guide applicant with respect to the Office's position on the arguments presented. This failure renders any entry of a Final Rejection premature. Furthermore, applicant fully expects that if the Office does focus its attention on the arguments presented that it will be left with the firm conclusion that the claims of record are fully patentable over the cited art. As such, this is the light in which applicant submits this request.

The Office reliance on presenting "at least" a prima facie case of obviousness demonstrates that the Final Rejection is premature.

The concept and use of the "prima facie" case of obviousness has been explained in Chisum, §5.06[1][a] as follows:

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"The Court of Customs and Patent Appeals . . . took the position that the burden is initially upon the Patent and Trademark Office to produce factual evidence indicating that the claimed invention is 'prima facie obvious.' If the Office failed to make such a showing, then rejection was improper and was overturned. The standard for determining prima facie obviousness was stated in in re Lintner (1972): 'In determining the propriety of the Patent Office case for obviousness in the first instance, it is necessary to ascertain whether or not the reference teachings would appear to be sufficient for one of ordinary skill in the relevant art having the reference before him to make the proposed substitution, combination or other modification.' After its formation in 1982, the Federal Circuit embraced and applied the prima facie obviousness concept. In in re Piasecki (1984), the court noted: 'The concept of *prima facie* obviousness in *ex parte* patent examination is but a procedural mechanism to allocate in an orderly way the burdens of going forward and of persuasion as between the examiner and the applicant. . . . As a basic rule of evidence, once an inference of fact is established the burden of persuasion shifts to the applicant, who in turn must produce evidentiary facts. All relevant facts are then considered in determining obviousness.' . . . In in re Oetiker (1992), the Federal Circuit confirmed that 'The *prima facie* case is a procedural tool of patent examination, allocating the burdens of going forward as between examiner and applicant . . . The term '*prima facie* case' refers only to the initial examination step . . . [T]he examiner bears the initial burden, on review of the prior art or on any other ground, of presenting a *prima facie* case of unpatentability. If that burden is met, the burden of coming forward with evidence of argument shifts to the applicant. After evidence or argument is submitted by the applicant in response, patentability is determined on the totality of the record, by a preponderance of evidence with due consideration to persuasiveness of argument. If examination at the initial stage does not produce a *prima facie* case of unpatentability, then without more the applicant is entitled to grant of the patent.'"

Applicant has explained at length, with supporting declarations which in some instances explain the prior art references, why the Office has failed to make a prima facie case of obviousness. The Office has agreed to some extent as evidenced by its shifting and changing its combination of references as well as its perceived need to find additional references through additional searching in its continuing rejection of this application. Applicant still strongly asserts that the Office has failed to meet this burden. However, even presuming the Office has, the Office's admitted failure to consider all the evidence demonstrates that it has failed to take the next step and consider all the evidence as dictated by the Federal Circuit.

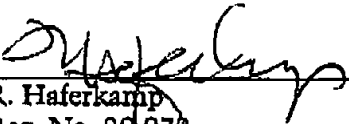
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In the remarks included in its latest action, the Office states that it has "at least" satisfied the burden of presenting a prima facie case of obviousness. However, the Office has failed to acknowledge or comment on the other evidence that Applicant has submitted which is necessarily considered to determine whether this "at least" case of prima facie obviousness has been successfully rebutted. For example, the Office comments relating to the various Declarations previously presented by Mr. Smith and Mr. Ditmar amount to no more than a criticism on their supposed bias or that they are no more than expressions of opinion. However, the Office is not entitled to ignore these Declarations on either of those bases. Bias goes merely to the weight a Declaration is to be given, and is not a standard to be used to completely ignore it. Expressions of opinion are entitled to be submitted and must be considered. See Chisum §5.06[1][b]. Furthermore, and perhaps most importantly, the Office has not been seen to make any comment on or give any consideration to the evidence of incredible commercial success which was submitted. This evidence was submitted with Mr. Smith's Declaration submitted on March 31, 2003 and included an article from an independent magazine which announced that the system of the present invention was receiving an award which in itself is evidence of solving a long felt need of the industry by gaining industry-wide recognition. This is one of the factors to be considered in determining obviousness, and the Office has until now ignored it. Further evidence has been submitted in the prior amendment through direct citation to the text of the references themselves. The references themselves teach away from their being combined, as has been explained before. Yet, to date, the Office has not considered this evidence and sees fit to rely on a mystical "prima facie case" that has not only been rebutted but defeated by applicant's showing.

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In conclusion, the Office has yet failed to properly examine and consider all the evidence bearing on obviousness and Applicant respectfully suggests that when all the evidence including the strong evidence of incredible commercial success is considered the only conclusion that can be reached is that the invention is patentable. The Office is requested to withdraw the Final Rejection, consider all the evidence and argument previously not considered, and allow this case to issue.

Respectfully submitted,



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